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BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of PACIFICORP (U 901 E), an Oregon Company, for a Permit to Construct the Line 75 115 kV Conversion Project Pursuant to General Order 131-D.

Application 05-12-011
(Filed December 13, 2005)

**ASSIGNED COMMISSIONER'S RULING
REGARDING PIECEMEALING AND SUBSTATIONS**

I. Introduction

This ruling addresses two issues:

- 1) It explains that the Commission will analyze two transmission upgrade projects planned by applicant PacifiCorp together under the California Environmental Quality Act (CEQA), Pub. Resources Code § 21000 *et seq.* PacifiCorp shall give notice of the second project as required by Commission General Order (GO) 131-D at this time.
- 2) It grants PacifiCorp's request to begin immediate modifications on two substations, the Yreka Substation and the Weed Junction Substation, on the ground GO 131-D permits these modifications without CEQA review.

II. Piecemealing

In its application, PacifiCorp seeks approval to install a 115 kilovolt (kV) electric transmission line. Since filing its application, PacifiCorp has informed the Commission that within a year of installing the first line, it plans a second line directly connected to the first. On April 27, 2006, PacifiCorp's

representative, Dennis Desmarais, informed the Commission's Energy Division that,

When we originally started formulating our plans for the Weed area we saw the need for two projects. The first was the Line 1 upgrade which we submitted our application for in December 2005. . . .

Our next planned project is to upgrade the Weed Substation from 69 to 115 kV to accommodate the load growth in the area. This is planned for 2008. This project will also restore the second transmission feed to the Weed Substation by looping in Line 1 over the mile long section that is being abandoned on the south end of our first project.¹

"[A]n Environmental Impact Report (EIR) must include an analysis of the environmental effects of future expansion or other action if: (1) it is a reasonably foreseeable consequence of the initial project; and (2) the future expansion or action will be significant in that it will likely change the scope or nature of the initial project or its environmental effects." *Laurel Heights Improvement Ass'n v. Regents*, 47 Cal. 3d 376, 396 (1988). As the *Laurel Heights* court noted, it is important that "environmental considerations do not become submerged by chopping a large project into many little ones -- each with a minimal potential impact on the environment...." *Id.* (quoting *Bozung v. Local Agency Formation Com.*, 13 Cal. 3d 263, 283-84 (1975).)

Because PacifiCorp already plans the second project (described in the second quoted paragraph above), it clearly meets the "reasonably foreseeable" test. Given that the second upgrade will be placing additional infrastructure on the ground and increasing the capacity of current facilities, it will likely change

¹ Mr. Desmarais' email accompanies this ruling as Attachment 1.

the scope or nature of the initial project's environmental effects. Thus, the Commission will analyze both projects together under CEQA. In the interim, PacifiCorp shall give notice of the second project as required by Commission General Order (GO) 131-D, Section XI (Attachment 2 hereto).

III. Substations

PacifiCorp asks that we exempt two of its substation modifications from environmental review under CEQA on the ground that GO 131-D allows such exemptions. GO 131-D, Section III.B establishes that the Commission must approve "new or upgraded" substations. That section defines an "upgraded" substation as "one in which there is an increase in substation land area beyond the exiting utility-owned property or an increase in the voltage rating of the substation above 50 kV." PacifiCorp claims that because it is not increasing the voltage rating or the surface area, both substations fall under the GO 131-D exemption. Further, PacifiCorp cites GO 131-D Section III.B.1.b, which exempts from environmental review² projects involving "replacement of existing power line facilities or supporting structures with equivalent facilities or structures."

The changes PacifiCorp plans to the two relevant substations are as follows:

- 1) **Yreka Substation.** PacifiCorp will replace one piece of equipment, a motor switch, with essentially an equivalent piece of equipment, a "breaker bypass," or manual, switch. PacifiCorp will place the new switch on the existing supporting structure, and install a new relaying and

² GO 131-D is slightly more complicated than the text above indicates. Section III.B.1 states that compliance with Section IX.B of GO 131-D is not required for the enumerated actions, including those in subdivision (b). Section IX.B exempts the actions in III.B.1 from the detailed CEQA requirements in Section IX.B.

control panel for the new breaker inside the existing control house. The company will install all new equipment on or within existing support structures and within the existing substation fence. The voltage rating will not increase.

- 2) **Weed Junction Substation.** At Weed Junction Substation, PacifiCorp will split the 115kV bus and the 115kV transformer carrying Line 14's flow. It will replace an existing wood pole structure and a brown glass cap and pin switch with new equipment. The voltage rating and fence line will not change.

The two substation modifications fit within the foregoing exemption from CEQA review. PacifiCorp may commence the modifications immediately.

IT IS RULED that:

1. The Commission will analyze both the project for which PacifiCorp submitted its December 13, 2005 application, and the second project described in Mr. Desmarais' April 27, 2006 email message (quoted above and Attachment 1), as one project pursuant to the California Environmental Quality Act.
2. PacifiCorp shall give notice of the second project as required by Commission General Order (GO) 131-D, Section XI (Attachment 2).
3. PacifiCorp may begin the Yreka Substation and Weed Junction Substation modifications immediately. These modifications shall not increase the voltage rating of the substations or increase the substation land area beyond the current substation fence lines.

Dated June 5, 2006, at San Francisco, California.

/s/ Geoffrey Brown
Geoffrey Brown
Assigned Commissioner

ATTACHMENT 1

From: Desmarais, Dennis [mailto:Dennis.Desmarais@PacifiCorp.com]

Sent: Thursday, April 27, 2006 2:22 PM

To: Boccio, John

Cc: Westerfield, William W.; Loeffler, Russell; Houston, Kenneth

Subject: RE: Question

Yes, there is another project in the area. When we originally started formulating our plans for the Weed area we saw the need for two projects. The first was the Line 1 upgrade which we submitted our application for in December 2005. When we were planning we did not realize initially that the State had such a substantial permitting process and thought we would be building the project this summer (2006). Our next planned project is to upgrade the Weed Substation from 69 to 115 kV to accommodate the load growth in the area. This is planned for 2008. This project will also restore the second transmission feed to the Weed Substation by looping in Line 1 over the mile long section that is being abandoned on the south end of our first project. I am one signature (our president's) away from having approval of this project and haven't wanted to talk about it because I was not sure whether it would get through the budgeting process.

Our Line 1 application will hopefully receive approval by this September. It is critical to keep it moving as we will have trouble keeping the lights on in Summer 2007 without it as the loads continue to grow in the area. I would be happy to combine the two projects into the Line 1 application because it would be more efficient; however, if it would jeopardize our chances of getting Line 1 approval in September I would be extremely reluctant. We are starting the PEA material for the new project next week and hope to have it ready in two months.

Please let me know your thoughts on how we should handle these two projects. It would be perfect if we could amend our existing application for the second project and have approval for the first phase in September. As the second project addresses the protester's concerns about reliability, it would make it easier to approve the first project. If we can't combine the two and get approval by September, I would like to submit a separate application for the second project in a couple of months even if that was less efficient. My first priority is to keep Line 1 moving so that we can keep the lights on in summer 2007 and accommodate local growth.

Thanks!

Dennis Desmarais

(END OF ATTACHMENT 1)

(ATTACHMENT 2)

SECTION XI. NOTICE

A. Applications for a CPCN or Permit to Construct

Notice of the filing of each application for a CPCN for facilities subject to the provisions of Sections VII, VIII, and IX.A of this General Order and of the filing of each application for a permit to construct for facilities subject to Section IX.B of this General Order, shall be given by the electric public utility within ten days of filing the application:

1. By direct mail to:

- a. The planning commission and the legislative body for each county or city in which the proposed facility would be located, the CEC, the State Department of Transportation and its Division of Aeronautics, the Secretary of the Resources Agency, the Department of Fish and Game, the Department of Health Services the State Water Resources Control Board, the Air Resources Board, and other interested parties having requested such notification. The utility shall also give notice to the following agencies and subdivisions in whose jurisdiction the proposed facility would be located: the Air Pollution Control District, the California Regional Water Quality Control Board, the State Department of Transportation's District Office, and any other State or Federal agency which would have jurisdiction over the proposed construction; and
- b. All owners of land on which the proposed facility would be located and owners of property within 300 feet of the right-of-way as determined by the most recent local assessor's parcel roll available to the utility at the time notice is sent; and

2. By advertisement not less than once a week, two weeks successively, in a Newspaper or newspapers of general circulation in the county or counties in which the proposed facilities will be located, the first publication to be not later than ten days after filing of the application; and

3. By posting a notice on-site and off-site where the project would be located. A copy of the notice shall be delivered to the CPUC Public Advisor and the CACD on the same day it is mailed. A declaration of mailing and posting as required by this subsection shall be filed with the Commission within five (5) days of completion.

Three copies of each application for electric generation facilities shall be served on the Executive Director of the Energy Commission. If applicable, three copies shall be served on the Executive Director of the Coastal Commission. If applicable, three copies shall be served on the Executive Director of the S.F. Bay Conservation and Development Commission. Upon request by any public agency, the applicant shall provide at least one copy of its application to said public agency. A copy of the application shall be kept

available for public inspection at the utility's office(s) in the county or counties in which the proposed facility would be located.

B. Power Line Facilities Between 50 kV and 200 kV and Substations Designed to Operate Over 50 kV Which Are Not Included in Subsection A of this Section
The utility shall give notice of the construction of any power line facilities or substations between 50 kV and 200 kV deemed exempt pursuant to Section III herein, not less than 30 days before the date when construction is intended to begin by:

1. Direct mail to the planning director for each county or city in which the proposed facility would be located and the Executive Director of the Energy Commission; and
2. Advertisement, not less than once a week, two weeks successively, in a newspaper or newspapers of general circulation in the county or counties in which the proposed facility would be located, the first publication to-be not later than 45 days before the date when construction is intended to begin; and
3. By posting a notice on-site and off-site where the project would be located.
4. Filing an informational advice letter with the CACD³ in accordance with General Order 96-A, which includes a copy and distribution list of the notices required by items 1-3 herein. On the same day, a copy of the advice letter must be delivered to the CPUC Public Advisor.

C. Contents of Notices

Each utility shall consult with the CACD and CPUC Public Advisor to develop and approve a standard for the notice required by subsections A and B, which shall contain, at a minimum, the following information:

1. The Application Number assigned by the CPUC or the Advice Letter Number assigned by the utility; and
2. A concise description of the proposed construction and facilities, its purpose and its location in terms clearly understandable to the average reader; and
3. A summary of the measures taken or proposed by the utility to reduce the potential exposure to electric and magnetic fields generated by the proposed facilities, in compliance with Commission order; and

³ References to "CACD" in GO 131-D should be read as "Energy Division."

4. Instructions on obtaining or reviewing a copy of the application, including the Proponent's Environmental Assessment or available equivalent, from the utility; and

5. The applicable procedure for protesting the application or advice letter, as defined in Sections XII and XIII, including the grounds for protest, when the protest period expires, delivery addresses for the CPUC Docket Office, CACD, and the applicant and how to contact the CPUC Public Advisor for assistance in filing a protest.

(END OF ATTACHMENT 2)

INFORMATION REGARDING SERVICE

Electronic mail addresses that I have provided notification of filing to are listed below.

Wilson@ci.weed.ca.us;
cece.coleman@pacificorp.com;
donaldmackintosh@sbcglobal.net;
jbx@cpuc.ca.gov;
lenandbarbara@juno.com;
shellypapy@hotmail.com;
srt@cpuc.ca.gov;
wwwesterfield@stoel.com;

Upon confirmation of this document's acceptance for filing, I will cause a copy of the filed document to be served upon the service list to this proceeding by U.S. mail. The service list I will use to serve the copy of the filed document, which is current as of today's date, is attached.

Dated June 5, 2006, San Francisco, California.

/s/ Antonina V. Swansen
Antonina V. Swansen

***** APPEARANCES *****

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